



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Lowell P. Braxton
Division Director

Wayne

December 4, 1998

CERTIFIED RETURN RECEIPT

P 074 976 667

Robert L. Steele
1075 North 400 East
Nephi, Utah 84648

Re: **Request for Regulatory Information, Robert Steele & Anthony Peck (operators), Nephi Gypsum Quarry, M/023/011, Juab County, Utah**

Dear Mr. Steele:

This letter is sent in response to our December 3, 1998 telephone conversation wherein we discussed the Division's outstanding permitting concerns related to Nephi Gypsum Quarry. You stated that you did not believe that the Utah Mined Land Reclamation Act and its interpretive rules should apply to the mining operations being conducted on Nephi Sandstone Corporation's private land located immediately adjacent to the Nephi Gypsum Quarry. You requested a copy of pertinent law(s) and rules that are applicable to this permitting circumstance.

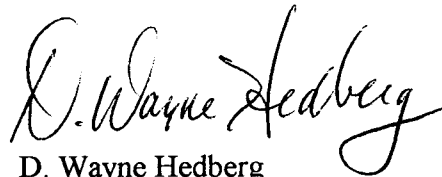
I have enclosed copies of the requested information along with an interpretive policy on Related and Neighboring Sites. As promised, I have also enclosed a copy of a *draft* Notice of Non-compliance that has been prepared to address this situation. If possible, we would prefer to resolve this matter without the use of this preliminary enforcement action.

As agreed to over the phone, we will suspend taking further action in this matter for another 10 days from the date of your receipt of this letter. This should give you sufficient time to consult with your attorney and your partner Anthony Peck on how you wish to resolve this issue. We await your written response.

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Robert L. Steele
M/023/011
December 4, 1998

If you have questions or concerns regarding this action, please contact me or Tom Munson of the Minerals Reclamation Program at (801) 538-5286 and 538-5321 respectively.

Sincerely,

A handwritten signature in black ink that reads "D. Wayne Hedberg". The signature is fluid and cursive, with the first name "D." and last name "Hedberg" clearly legible.

D. Wayne Hedberg
Permit Supervisor
Minerals Reclamation Program

jcm
Enclosures: Mined Land Reclamation Act, Minerals Rules,
Neighboring Sites Policy, Draft Non-Compliance Notice

cc: Mary Ann Wright, Associate Director
Dan Moquin, AAG's office
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